# CLAREMONT ROAD BYPASS COMPANY (NON-PROFIT COMPANY)
**(Registration number 2005/012793/08)**
**Financial statements**
**for the year ended 30 June 2024**

# Claremont Road Bypass Company (Non-Profit Company)

**(Registration number: 2005/012793/08)**
**Financial Statements for the year ended 30 June 2024**

## General Information

| | |
|---|---|
| **Country of incorporation and domicile** | South Africa |
| **Nature of business and principal activities** | Development of the Claremont Road Bypass |
| **Directors** | DS Stoll<br>C Vaskys<br>G Hiscock |
| **Registered office** | 25 Stegman Road<br>Claremont<br>7708 |
| **Auditors** | Cecil Kilpin & Co.<br>Chartered Accountants (SA)<br>Registered Auditors<br>Practice no.: 903493E |
| **Company registration number** | 2005/012793/08 |
| **Preparer** | The financial statements were independently compiled by:<br>D Cox<br>Chartered Accountants (SA)<br>Registered Auditors |

# Claremont Road Bypass Company (Non-Profit Company)

**(Registration number: 2005/012793/08)**
**Financial Statements for the year ended 30 June 2024**

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The reports and statements set out below comprise the financial statements presented to the shareholder:


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# Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the directors and were signed on their behalf by:

**Approval of financial statements**

Director

Director

Date: 23 AUGUST 2024

# Directors' Report

The directors have pleasure in submitting their report on the financial statements of Claremont Road Bypass Company (Non-Profit Company) for the year ended 30 June 2024.

## 1. Review of activities

### Main business and operations

The company's nature of business is to carry out development of Claremont Road Bypass project and other related community services and operates in South Africa.

The results and state of affairs of the company are fully set out in the attached annual financial statements and do not in out opinion require any further comment.

The net surplus of the company was R155 152 (2023: net deficit R4 225)

## 2. Dividends

The directors do not recommend the declaration of a dividend for the year.

## 3. Directors

The directors in office at the date of this report are as follows:

**Directors**
DS Stoll
C Vaskys
G Hiscock

There have been no changes to the directorate for the period under review.

## 4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

## 5. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## 6. Auditors

Cecil Kilpin & Co were appointed as the auditors for the company for 2024.

## 7. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

# Independent Auditor's Report

**To the Shareholder of Claremont Road Bypass Company (Non-Profit Company)**

**Opinion**

We have audited the financial statements of Claremont Road Bypass Company (Non-Profit Company) (the company) set out on pages 7 to 14, which comprise the statement of financial position as at 30 June 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Claremont Road Bypass Company (Non-Profit Company) as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "Claremont Road Bypass Company (Non-Profit Company) financial statements for the year ended 30 June 2024", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on page 15. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# Independent Auditor's Report

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Cecil Kilpin & Co.**
**Chartered Accountants (SA)**
**Registered Auditors**
**Per Partner: Sidney Schonegevel**

**Century City**
**Date:** 26/08/2024

# Claremont Road Bypass Company (Non-Profit Company)

**(Registration number: 2005/012793/08)**
**Financial Statements for the year ended 30 June 2024**

## Statement of Financial Position as at 30 June 2024

| | Note(s) | 2024<br>R | 2023<br>R |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Trade and other receivables | 2 | 6,139 | 12,329 |
| Cash and cash equivalents | 3 | 2,545,785 | 2,402,743 |
| | | **2,551,924** | **2,415,072** |
| **Total Assets** | | **2,551,924** | **2,415,072** |
| **Equity and Liabilities** | | | |
| **Equity** | | | |
| Retained income | | 2,534,924 | 2,379,772 |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Provisions | 4 | 17,000 | 35,300 |
| **Total Equity and Liabilities** | | **2,551,924** | **2,415,072** |

# Claremont Road Bypass Company (Non-Profit Company)

**(Registration number: 2005/012793/08)**
**Financial Statements for the year ended 30 June 2024**

## Statement of Comprehensive Income

| | Note(s) | 2024<br>R | 2023<br>R |
|---|---|---|---|
| Operating expenses | | (40,260) | (62,269) |
| Investment revenue | 5 | 195,412 | 163,886 |
| Finance costs | 6 | - | (105,842) |
| **Surplus (deficit) for the year** | | **155,152** | **(4,225)** |
| Other comprehensive income | | - | - |
| **Total comprehensive surplus (deficit) for the year** | | **155,152** | **(4,225)** |

# Statement of Changes in Equity

| | Retained income<br>R | Total equity<br>R |
|---|---|---|
| **Balance at 01 July 2022** | **2,383,997** | **2,383,997** |
| Deficit for the year | (4,225) | (4,225) |
| Other comprehensive income | - | - |
| **Total comprehensive loss for the year** | **(4,225)** | **(4,225)** |
| **Balance at 01 July 2023** | **2,379,772** | **2,379,772** |
| Surplus for the year | 155,152 | 155,152 |
| Other comprehensive income | - | - |
| **Total comprehensive income for the year** | **155,152** | **155,152** |
| **Balance at 30 June 2024** | **2,534,924** | **2,534,924** |

# Statement of Cash Flows

| | Note(s) | 2024<br>R | 2023<br>R |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts from customers | | 6,191 | 1,518 |
| Cash paid to suppliers and employees | | (58,561) | (61,365) |
| Cash used in operations | 8 | (52,370) | (59,847) |
| Interest income | | 195,412 | 163,886 |
| Finance costs | | - | (105,842) |
| **Net cash from operating activities** | | **143,042** | **(1,803)** |
| **Cash flows from financing activities** | | | |
| Repayments of other financial liabilities | | - | (2,397,112) |
| **Total cash movement for the year** | | **143,042** | **(2,398,915)** |
| Cash and cash equivalents at the beginning of the year | | 2,402,743 | 4,801,658 |
| **Total cash at end of the year** | 3 | **2,545,785** | **2,402,743** |

# Accounting Policies

## 1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

## 1.1 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS for SME's requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**Critical judgements in applying accounting policies**

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

**Key sources of estimation uncertainty**

## 1.2 Financial instruments

**Initial measurement**

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**Financial instruments at amortised cost**

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

**Financial instruments at cost**

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

**Financial instruments at fair value**

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

# Accounting Policies

### 1.3 Tax

**Current tax assets and liabilities**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

**Tax expenses**

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

### 1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

### 1.5 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

### 1.6 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a service to a customer.

Interest is recognised, in profit or loss, using the effective interest rate method.

### 1.7 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

## Notes to the Financial Statements

| | 2024<br>R | 2023<br>R |
|---|---|---|
| **2. Trade and other receivables** | | |
| Prepayments | 5,217 | 9,391 |
| VAT | 922 | 2,938 |
| | **6,139** | **12,329** |
| **3. Cash and cash equivalents** | | |
| Cash and cash equivalents consist of: | | |
| Bank balances | 2,545,785 | 2,402,743 |

**4. Provisions**

**Reconciliation of provisions - 2024**

| | Opening balance | Additions | Utilised during the year | Closing balance |
|---|---|---|---|---|
| Audit fee provision | 30,000 | 13,000 | (30,000) | 13,000 |
| Drafting fee provision | 5,300 | 4,000 | (5,300) | 4,000 |
| | **35,300** | **17,000** | **(35,300)** | **17,000** |

**Reconciliation of provisions - 2023**

| | Opening balance | Additions | Utilised during the year | Closing balance |
|---|---|---|---|---|
| Audit fee provision | 26,335 | 30,000 | (26,335) | 30,000 |
| Drafting fee provision | 5,025 | 5,300 | (5,025) | 5,300 |
| | **31,360** | **35,300** | **(31,360)** | **35,300** |

| | | |
|---|---|---|
| **5. Investment revenue** | | |
| **Interest revenue** | | |
| Interest received | 195,412 | 163,886 |
| **6. Finance costs** | | |
| Other financial liabilities | - | 105,842 |

**7. Taxation**

No provision has been made for 2024 tax as the company is a public benefit organisation and is therefore exempt from taxation in terms of Section 10(1)(d)(iii) of the Income Tax Act.

## Notes to the Financial Statements

| | 2024<br>R | 2023<br>R |
|---|---|---|
| **8. Cash used in operations** | | |
| Net surplus before taxation | 155,152 | (4,225) |
| **Adjustments for:** | | |
| Movement in provisions | (18,300) | 3,940 |
| Investment income | (195,412) | (163,886) |
| Finance costs | - | 105,842 |
| **Changes in working capital:** | | |
| (Increase) decrease in trade and other receivables | 6,191 | (1,518) |
| | **(52,369)** | **(59,847)** |

**9. Related parties**

**Relationships**

| | |
|---|---|
| Entities with common directorship | Claremont Improvement District Company |

**10. Directors' and prescribed officer's remuneration**

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

# Detailed Income Statement

| | Note(s) | 2024<br>R | 2023<br>R |
|---|---|---|---|
| **Operating expenses** | | | |
| Accounting fees | | 16,425 | 20,331 |
| Auditors remuneration | | 13,351 | 31,774 |
| Bank charges | | 1,093 | 773 |
| Insurance | | 9,391 | 9,391 |
| | | **40,260** | **62,269** |
| **Operating loss** | | **(40,260)** | **(62,269)** |
| Investment income | 5 | 195,412 | 163,886 |
| Finance costs | 6 | - | (105,842) |
| | | **195,412** | **58,044** |
| **Surplus (deficit) for the year** | | **155,152** | **(4,225)** |


The supplementary information presented does not form part of the financial statements and is unaudited